Interim Report 1. Half of 2015

JDC GROUP

BEST ADVICE. BETTER TECHNOLOGY.

Inhalt

JDC Group AG

At a glance

P & L in kEUR*	**30/06/2015 kEUR**	Pro forma** 30/06/2014 kEUR	Pro forma changes compared to previous year in %	30/06/2014 kEUR	Changes compared to previous year in %
Revenues	36,949	34,472	7.2	38,446	–3.9
Gross margin	11,810	8,949	32.0	10,408	13.5
Gross margin in %	32.0	26.0	23.1	27.1	18.1
Total operational costs	11,548	10,637	8.6	11,688	–1.2
EBITDA	1,022	–865	>100	–429	>100
EBITDA margin in %	2.8	–2.5	>100	–1.1	>100
EBIT	262	–1,688	>100	–1,280	>100
EBIT margin in %	0.7	–4.9	>100	–3.3	>100
Net profit from continuing operations (after shares without dominating influence)	–351	–2,111	83.4	–1,822	80.7
Number of shares in thousands (end of period)	10,850	10,850	0.0	10,850	0.0
Earnings per share in EUR	–0.03	–0.19	84.2	–0.17	82.4

Cashflow/Balance sheet in kEUR	**30/06/2015 kEUR**			31/12/2014 kEUR	Changes compared to previous year in %
Cash flow from operating activities	–380			–4,550	91.7
Total equity and liabilities	65,102			60,336	7.9
Equity	26,055			26,406	–1.3
Equity ratio in %	40.0			43.8	–8.6

* Only continuing operations

** To facilitate comparability with the previous year, all figures have been adjusted pro forma as if compexx Finanz AG had not been included in the basis of consolidation.


Ralph Konrad
CFO
Dr. Sebastian Grabmaier
CEO

Management Board letter to shareholders

DEAR SHAREHOLDERS, DEAR BUSINESS PARTNERS,

we are pleased to inform you that JDC Group AG (formerly: Aragon AG) has consistently pressed ahead with its realignment in recent months. Not only that, the company's focus on the operating performance of its subsidiaries Jung, DMS & Cie. and FiNUM is already showing initial success. Even though the market climate remained challenging, JDC Group AG achieved a substantial year-on-year improvement in its earnings in the first half of the year and thus laid a strong foundation for success in the 2015 financial year and the years ahead.

Aragon AG is now JDC Group AG

Over the past months, Aragon AG has significantly streamlined its group structure by focusing on its broker pool subsidiary Jung, DMS & Cie. and the revenues subsidiaries of the FiNUM Group. Having also established its new "Advisortech" business field, the company has now achieved its planned target structure. To document this realignment externally as well, the Annual General Meeting held at the end of July provided 100 percent approval for the company to be renamed as "JDC Group AG".

With immediate effect, the JDC Group is presenting itself with a completely revitalized, up-to-date and user-friendly website at www.jdcgroup.de. Given the increasing interest shown by foreign institutional investors, the company is also making all of its reporting and its website available in both German and English. This realignment is also reflected in the JDC Group's new motto "Best Advice. Better Technology". Within its two business segments, JDC Group AG will be focusing in future on its two businesses of "Advisory" and "Advisortech".

AdvisorTech: A transformation offering opportunities

As we have already outlined several times before, the financial services market is currently undergoing the greatest transformation in its history. Alongside changing patterns of consumer behavior, cost pressure, and regulation, a further key driver of change has now come to the forefront. The megatrend of "digitization" has seized the financial services market. As one of the last industries, the financial services industry is now discovering the enormous potential harbored by internet business models. The main actors here are not established banks, insurance companies, and large sales operations, but rather numerous newly founded companies. The total number of these financial start-ups – "fintechs" for short – is growing on a daily basis.

Currently, there are more than 12,000 newly founded companies worldwide that aim to compete with established market players by offering financial technology. Some of these companies are already worth more than five billion dollars – and are thus increasingly approaching the valuation of established banks, such as Commerzbank. Financers clearly believe in the future of these young, agile companies. According to the management consultancy Accenture, the volume of investment in internet-based financial players has trebled to US$ 12.2 billion in 2015. The valuation of many of these companies has since surged to astronomical levels. At US$ 78 billion, the five largest fintech players worldwide are now worth more than Germany's five largest publicly listed banks (US$ 67 billion). Given these valuations, the first experts are already warning against a bubble in global fintech prices. In Germany, by contrast, this development is still in its infancy and the country's domestic fintechs are generally still viewed as being far from overvalued.

For the JDC Group, this new fintech megatrend offers extremely great market opportunities. Today, JDC companies already offer market-leading IT and process solutions to financial intermediaries. While customer acquisition costs are so high as to pose a threat to the very existence of most fintech companies, JDC has more than 900,000 customers and 16,000 brokers and is thus in a superior position when it comes to launching new technological developments onto the market. In its new "Advisortech" business segment, the JDC Group therefore now aims to develop state-of-the-art applications / tools aimed at simplifying the advisory and administrative input required from both advisors and customers. By exploiting existing structures and incorporating the new technologies, the company aims to implement these measures while avoiding any disruption to existing sales connections.

Use of these applications, which will, for example, make it possible for customers to gain an overview of all their existing insurance contracts, should further enhance customer retention levels for the 16,000 financial brokers and open up further business potential. Not only that, the range of innovative services offered to end customers should enable brokers to tap interesting new business potential. As well as developing its own proprietary products, the JDC Group also intends to acquire already established fintech companies in future, and that at low investment cost.

The company can report successful developments in its operating business as well for the first half of the year:

Jung, DMS & Cie. places corporate bond for EUR 15 million

Our broker pool Jung, DMS & Cie. Pool GmbH ("JDC Pool") successfully placed a corporate bond with a volume of EUR 15.0 million in a purely private placement executed with institutional investors. This corporate bond has a five-year term and an annual coupon of 6.0 percent.

We aim to channel the funds received from the bond issue primarily into acquiring brokers' portfolios. After all, due to regulatory changes, their high average age and the difficult recent market climate, ever more brokers are leaving the market. Not only that, older market players are increasingly interested in selling their portfolios as part of their retirement provision. To meet this need, Jung, DMS & Cie. has introduced DMR – Deutsche Makler Rente – an innovative pension product that offers brokers wishing to retire from active business life an ideal opportunity to capitalize their "lifetime achievement". Even though the retiring brokers receive good sale prices for their life's work, the acquisition of their portfolios also promises to generate high long-term returns for JDC Pool GmbH: Based on a targeted return on investment of more than 20 % before taxes, investing the full value of the bond at Jung, DMS & Cie. could generate additional annual earnings contributions of EUR 2.2 million.

Results for 1st Half of 2015

We can afford to be satisfied with our half-year figures, and that for the first time in several years. Despite the ongoing difficult framework, JDC Group AG can point to successful developments in both revenues and earnings in the first half of 2015.

JDC Group AG can report a positive performance in its turnover-related key figures. Product sales grew by 3.4 percent from 589 million EUR in the previous year's period to 609 million EUR in the first half of 2015. Compared with the overall market, this is an excellent performance.

Assets under administration at JDC Group AG also developed well. At 4.4 billion EUR, this key figure was around 7 percent above of the previous year's figure of 4.1 billion EUR as of June 30, 2014.

Adjusted for revenues from compexx Finanz AG, which was still included in five months of the previous year's period, half-year revenues grew by 7.2 percent to 37.0 million EUR (1st Half-year 2014 excluding compexx: 34.5 million EUR).

Earnings before interest, taxes, depreciation and amortization (EBITDA) at continuing operations totaled 1,022 kEUR in the first half of the year, thus exceeding the previous year's figure – and excluding compexx – by 1,887 kEUR (1st Half-year 2014: –429 kEUR; excluding compexx Finanz AG: –865 kEUR).

At 262 kEUR, earnings before interest and taxes (EBIT) at continuing operations showed a substantial improvement of 1,542 kEUR in the first half of the year, and excluding compexx even improved by 1,950 kEUR (1st Half-year 2015: –1,280 kEUR; adjusted for compexx Finanz AG: –1,688 kEUR).

JDC Group AG posted the following performance in its relevant key balance sheet figures: As of June 30, 2015, shareholders' equity amounted to 26.1 million EUR. The equity ratio thus came to 40.0 percent (December 31, 2014: 26.4 million EUR and 43.8 percent). Due to the aforementioned bond issue at Jung, DMS & Cie. Pool GmbH, cash and cash equivalents rose to 12.9 million EUR (December 31, 2014: 4.2 million EUR).

The individual business segments performed as follows:

BROKER POOLS

The Broker Pools business segment generated revenues of 29.4 million EUR in the first half of 2015, thus exceeding the figure for the previous year's period by 10.1 percent (1st Half-year 2014: 26.7 million EUR). At 1.0 million EUR, earnings before interest, taxes, depreciation and amortization (EBITDA) in the first six months of 2015 significantly surpassed the previous year's figure (1st Half-year 2014: 0.3 million EUR). At 0.7 million EUR, earnings before interest and taxes (EBIT) for the first six months of 2015 were also significantly ahead of the previous year's figure (1st Half-year 2014: –0.1 million EUR).

FINANCIAL CONSULTING

Revenues in the Financial Consulting business segment also grew in the first six months of 2015. Adjusted to exclude revenues from compexx Finanz AG, which were still included in the previous year's figures for five months, revenues rose by around 20 percent to 10.7 million EUR (1st Half-year 2014 (adjusted): 8.9 million EUR).

Earnings before interest, taxes, depreciation and amortization (EBITDA) in the Financial Consulting business segment improved significantly to 0.6 million EUR in the first six months of 2015 (1st Half-year 2014 (adjusted): –0.2 million EUR). Earnings before interest and taxes (EBIT) grew to 0.3 million EUR in the first six months of 2015 (1st Half-year 2014 (adjusted): –0.4 million EUR).

Outlook

Our assessment for the further course of 2015 is as follows: Given ongoing low interest rates, capital market volatility, and the erosion of consumer confidence in life insurance products, 2015 will remain challenging. We nevertheless expect to see a clearly noticeable year-end business once again and a continuation in our growth course. This will be driven in particular by our stable insurance business, as well as by growing turnover with material assets in the form of direct investments and individual properties.

Due to the measures we are taking to optimize our business, our gross margin will improve further compared with 2014. For 2015 as a whole, we therefore expect to post a seven-digit profit. From 2016, profits at the JDC Group should then rise significantly. For 2016 itself, we expect to generate revenues of between 90 million EUR and 100 million EUR and EBITDA of at least 5 million EUR.

Thanks to our employees and shareholders

Last, but by no means least, we would like to extend our particular thanks once again to the employees and sales partners of JDC Group AG and our subsidiaries. It is their commitment and motivation that form the basis for our success.

Equally, we also owe our thanks to our shareholders, who have placed their trust in our business model and supported and confirmed the Management and Supervisory Boards in their work.

We would be delighted if you would continue to accompany us on our course.

Yours faithfully,

Dr. Sebastian Grabmaier Ralph Konrad

Group management interim report

BUSINESS FRAMEWORK

The German economy has continued to grow in 2015. Based on calculations compiled by the Federal Statistical Office, price-adjusted gross domestic product (GDP) for the first half of the year grew year-on-year by 1.6 percent in the second quarter and 1.2 percent in the first quarter. This growth was chiefly driven by strong exports. Private household consumer spending showed a further slight increase. However, there are initial indications that this development is set to slow overall. Concerns as to a weaker global economy triggered by a slowdown in the Chinese economy have placed a damper on developments on the capital markets.

JDC Group AG is an independent financial services provider with operating subsidiaries that successfully operate with their own profiles, strategies, and brands in Germany, Austria, and Eastern Europe. These companies have more than 16,000 independent financial brokers who advise and broker financial products to around 900,000 end customers. The activities of JDC Group AG are subdivided in line with the respective target groups and services into the two operating business segments of “Broker Pools” and “Financial Consulting”. Furthermore, the shareholding in FINE IT Solutions GmbH, Troisdorf, and JDC Group AG, Wiesbaden, are pooled at the “Holding” business segment.

Market and competition

THE MARKET FOR INVESTMENT FUNDS [1]

The German fund industry witnessed a net inflow of new funds totaling 109 billion Euro in the first half of 2015. With an inflow of 69.9 billion Euro, specialist funds posted a record performance. Retail funds received a total of 43.3 billion Euro. Institutional funds withdrew 4.6 billion Euro from independent clients.

At the middle of the year, the members of the German Investment Funds Association (BVI) managed retail funds with a total volume of 877 billion Euro. New business between the beginning of January and the end of June revived significantly compared with previous years, with net inflows of 43.3 billion Euro. In the first half of 2014, by comparison, inflows came to just 17.8 million Euro. The new business statistics were dominated in particular by balanced funds, which attracted inflows of 23.8 billion Euro.

THE INSURANCE MARKET [2]

In 2014, premiums received in the insurance industry showed a slight year-on-year increase. This in turn was due to the performance of life insurance and property insurance policies. Assuming the same conditions, 2015 is expected to witness a continuation in this development.

[1] Unless indicated otherwise, all data referred to in the following description of the investment product market was taken from the BVI press release “Investment Statistics for the 1st Half of 2015” dated August 6 2015.

[2] All data referred to in the following description of the insurance market has been taken from the industry data published at gdv.de.

Premiums received for private health insurance policies are currently declining.

The market development, which is slightly positive overall, continues to be driven by the strong performance of property insurance premium volumes.

Overall, the industry aims to achieve a stable year-on-year premium performance.

OUTLOOK

The financial services market will continue to be shaped in 2015 by ongoing uncertainty, volatility, and low interest rates. The interest loss incurred above all on insurance policies in the current low interest climate will further reduce the net return on insurance products.

Competitive position

JDC Group AG competes with different companies in its individual business segments.

Competitors in Broker Pools segment

In its Broker Pools segment, the JDC Group acts via its subsidiary Jung, DMS & Cie. Aktiengesellschaft (JDC) and that company's independent financial brokers to broker financial products such as investment funds, closed funds, structured products, insurances, and financing products to end customers (B2B).

As a broker pool, JDC is in competition with all companies brokering the aforementioned financial products via independent brokers to downstream brokers or end customers. These include broker networks / pools, such as Fonds Finanz Maklerservice GmbH and BCA AG, as well as commercial banks, savings banks, cooperative banks, and financial sales companies focusing on end customers.

Based on the assessment of JDC Group AG, barriers to entry in the broker pool business are now high. Due to past developments, there are large numbers of brokerages, especially broker networks / pools, that are characterized by a widely varying sizes and degrees of professionalism. Having said this, the broker pools market has nevertheless seen substantial consolidation in recent years. During this period, JDC has grown and acquired smaller competitors leaving the market and / or continually integrated their customers.

Competitors in Financial Consulting segment

In its Financial Consulting segment, the JDC Group offers advice on and brokers financial products to end customers (B2C) via its subsidiaries FiNUM. Private Finance Deutschland, FiNUM. Finanzhaus and FiNUM. Private Finance Österreich. In general, all companies are in competition with numerous market players, i. e. alongside financial sales operations and standalone brokers the companies also compete with exclusivity-bound organizations at insurers and banks, as well as with direct sales, such as internet-based operations. Based on the assessment of JDC Group AG, the companies' main competitors can be identified by reference to the different business models and target groups as follows:

FiNUM.Private Finance Deutschland, FiNUM. Finanzhaus and FiNUM.Private Finance Österreich focus on advising sophisticated private customers (so-called “mass affluent market”) in Germany and Austria. The business mix consists almost equally of wealth accumulation and wealth protection (insurance). The main competitors are thus commercial and private banks, as well as large financial sales companies (e. g. MLP AG and Horbach Wirtschaftsberatung AG).

COMPANY SITUATION

Net asset position

Assets in kEUR

	H1/2015 kEUR	H1/2014 kEUR	Changes in %
Intangible assets	31,323	31,661	–1.1
Fixed assets	413	455	–9.2
Financial assets	1,926	45	> 100
Deferred taxes	4,739	4,863	–2.5
Long-term non-current assets			
Accounts receivable	777	742	4.7
Current assets			
Accounts receivable	8,762	11,901	–26.4
Other assets	3,643	6,090	–40.2
Cash and cash equivalents	12,885	4,176	> 100
Deferred charges	634	403	57.3
Total assets	**65,102**	60,336	7.9

Of the Group’s non-current assets, amounting to 39.2 million Euro as of June 30, 2015 (previous year: 37.8 million Euro), around 31.3 million Euro involve intangible assets (previous year: 31.7 million Euro).

Current assets rose to 25.9 million Euro (previous year: 22.6 million Euro). This was chiefly due to the 8.7 million Euro increase in cash and cash equivalents as a result of the bond issue at Jung, DMS & Cie. Pool GmbH.

Total assets grew from 60.3 million Euro in 2014 to 65.1 million Euro. This was chiefly attributable to the increase in cash and cash equivalents, as well as to a 5.4 million Euro reduction in receivables.

Liabilities in kEUR

	30.06.2015 kEUR	31.12.2014 kEUR	Changes in %
Equity	26,055	26,406	–1.3
Non-current liabilities			
Deferred taxes	1,587	1,454	9.1
Bonds	14,576	0	>100
Liabilities due to banks	0	7	>100
Accounts payable	7,130	7,078	0.7
Other liabilities	1,657	3,054	–45.7
Provisions	2,379	1,476	61.2
Current liabilities			
Accrued taxes	318	618	–48.5
Liabilities due to banks	1	227	–99.6
Accounts payable	6,346	11,291	–43.8
Other liabilites	4,811	8,706	–44.7
Deferred income	242	19	>100
Total equity and liabilities	**65,102**	60,336	7.9

Overall, non-current liabilities rose from 13.1 million Euro in the previous year to 27.3 million Euro as of June 30, 2015. This increase was primarily due to the recognition of the bond at an amount of 14.6 million Euro.

Current debt fell from 20.9 million Euro to 11.7 million Euro. Current liabilities showed a marked reduction of 8.8 million Euro.

The consolidated JDC Group had an equity ratio corresponding to 40.0 percent of total assets as of June 30, 2015 (previous year: 43.8 percent). The consolidated group thus continues to benefit from very strong equity resources.

Financial position

The cash flow statement shows how the cash flow developed as a result of inflows and outflows of funds during the period under report.

The cash flow from operating activities improved by 6,672 kEUR from –7,052 kEUR to –380 kEUR as of June 30, 2015. This was principally due to the significant improvement in half-year earnings and the less marked reduction in liabilities compared with the previous year.

The cash flow from investing activities was negative at –2,260 kEUR. This figure includes an amount of 1,879 kEUR for outgoing payments for investments in financial assets.

Financing activities produced a positive cash flow of 11,576 kEUR mainly resulting from the issue of a 15 million Euro bond.

Cash and cash equivalents amounted to 12,885 kEUR at the end of the first half of the financial year.

The company's financial resources were at all times adequate during the period under report. The company safeguards its short-term liquidity by working with monthly liquidity planning.

Earnings performance

P & L in kEUR	1. Half of 2015 kEUR	1. Half of 2014 kEUR	Changes compared to previous year in %
Revenues	**36,949**	38,446	–3.9
Gross margin	**11,810**	10,408	13.5
Gross margin in %	**32.0**	27.1	18.1
Total operational costs	**11,547**	11,688	–1.2
EBITDA	**1,022**	–429	>100
EBITDA margin in %	**2.7**	–1.1	>100
EBIT	**262**	–1,280	>100
EBIT margin in %	**0.7**	–3.3	>100
Net profit from continuing operations	**–351**	–1,822	80.7

The Group's earnings performance improved significantly in the first half of 2015. Adjusted to exclude sales at compexx Finanz-Gruppe, whose figures were still included in the first five months of 2014, sales nevertheless grew to 37.0 million Euro, up 2.5 million Euro, or 7.2 percent, on the figure of 34.5 million Euro for the previous year's period. Unadjusted half-year sales basically reduced by 1.5 million Euro, or 3.9 percent, to 37.0 million Euro (1st Half-year 2014: 38.4 million Euro).

Commission expenses fell by 7.1 percent from 29.7 million Euro in the previous year to 27.6 million Euro.

Of other expenses, 6.0 million Euro relate to personnel expenses (1st Half-year 2014: 6.5 million Euro) and 5.6 million Euro to other operating expenses, including depreciation and amortization (1st Half-year 2014: 5.1 million Euro). As an annual average, the Group had a total of 187 employees (1st Half-year 2014: 182).

The largest items within other operating expenses were depreciation and amortization at 0.8 million Euro (previous year: 0.8 million Euro), advertising expenses at 0.4 million Euro (previous year: 0.6 million Euro), IT expenses at 0.8 million Euro (previous year: 0.9 million Euro), legal and advisory expenses at 1.4 million Euro (previous year: 0.7 million Euro), and sundry expenses at 0.6 million Euro (previous year: 0.5 million Euro).

Overall, the result of ordinary operations improved from –1.6 million Euro to 22 kEUR. Earnings from continuing operations after taxes improved to –0.4 million Euro, up from –1.8 million Euro in the previous year. As a result, consolidated net income came to –0.4 million Euro, a considerable improvement compared with the figure of –4.5 million Euro reported for the 1st half of 2014.

SEGMENT REPORTING

Broker Pools segment

The Broker Pools segment generated revenues of 29.4 million Euro in the first half of 2015 and thus exceeded the figure for the previous year's period by 10.1 percent (1st Half-year 2014: 26.7 million Euro). At 1.0 million Euro, earnings before interest, taxes, depreciation and amortization (EBITDA) for the first six months of 2015 were significantly up on the previous year's figure (1st Half-year 2014: 0.3 million Euro). At 0.7 million Euro, earnings before interest and taxes (EBIT) for the first six months of 2015 were also substantially higher than in the previous year (1st Half-year 2014: –0.1 million Euro).

Financial Consulting segment

Sales in the Financial Consulting segment also increased in the first six months of 2015. Excluding compexx Finanz AG, which was still included for five months in the previous year, revenues grew by around 20 percent to 10.7 million Euro (1st Half-year 2014 (adjusted): 8.9 million Euro).

Earnings before interest, taxes, depreciation and amortization (EBITDA) in the Financial Consulting segment improved sharply to 0.6 million Euro in the first six months of the year (1st Half-year 2014 (adjusted): –0.2 million Euro). Earnings before interest and taxes (EBIT) rose to 0.3 million Euro in the first six months of 2015 (1st Half-year 2014 (adjusted) –0.4 million Euro).

Holding segment

Earnings also improved in the Holding segment. Segment income reduced to 0.2 million Euro, compared with 0.3 million Euro in the previous year. EBIT improved to –0.8 million Euro, as against –1.2 million Euro in the first half of 2014.

EVENTS AFTER THE BALANCE SHEET DATE

No events of material significance have occurred since the balance sheet date.

OPPORTUNITY AND RISK REPORT

The Group's future business performance involves all opportunities and risks associated with the sale of financial products and the purchase, management and sale of companies. The risk management system at JDC Group AG is structured to facilitate the early detection of risks the derivation of suitable measures to minimize such risks. Financial instruments are used exclusively for hedging purposes. To facilitate the early detection of potential problems at associate companies and their investments, the most important key figures are collected and evaluated on a monthly basis.

JDC Group AG manages the Group by means of a monthly reporting system which includes the most important key figures and takes particular account of the liquidity situation. Furthermore, the Management Board is kept informed of the current liquidity status on a daily basis.

Relevant company-related risks are as follows:

- When brokering financial products and insurance policies, the possibility cannot be excluded that cancellations will give rise to expenses that are not covered by corresponding recourse claims towards brokers. The growth in insurance sales in the JDC Group consolidated group means that the recovery of this kind of recourse claim is set to play a more important role. In the context of its sales arrangements with insurance companies, the JDC Group in some cases issues letters of comfort for its subsidiaries.
- Claims may be asserted against JDC Group AG in connection with incorrect information or incorrect advice provided by its sales partners. The details of the individual case then determine whether the risks involved may be covered by existing insurance cover or by recourse claims.
- Ongoing volatility on the capital market and difficulty in forecasting product turnover place high requirements in liquidity management. Any lack of liquidity could pose a threat to the Group's continued existence.
- Seller guarantees customary to the market were granted upon the execution of company sales. Any infringement of these seller guarantees may lead to unscheduled expenses for the JDC Group.

Relevant market-related risks are as follows:

- The company's business success is basically dependent on macroeconomic developments.
- Developments in national and global financial and capital markets are of significant relevance for the success of the JDC Group and the consolidated group. Persistent volatility or negative developments could impact negatively on the earnings strength of JDC Group AG.
- The stability of the legal and regulatory framework in Germany and Austria is a factor of great importance. Any changes in the underlying framework for financial services companies, brokers, or financial products, especially any changes made at short notice, could impact negatively on the business model of JDC Group AG.

Relevant regulatory risks are as follows:

- The implementation of the MiFiD II Directive in Germany may still lead to a (gradual) ban on securities commissions. This would necessitate substantial changes or conversions in the business model at JDC Group companies.
- The entry into effect of the German Life Insurance Reform Act (LVRG) will lead to across-the-board reductions in the commission paid for brokering life insurance policies. There is the risk that it will not be possible to pass on the reduction in commission to brokers to the same extent, thus reducing the margin at JDC Group companies.

The Management Board currently cannot detect any further risks to the Group's continued existence or development.

The Management Board sees the ongoing process of market consolidation as the main source of the Group's opportunities.

Due not least to the impact of the new LVRG legislation, many financial sales operations are currently in a weak financial position. In parallel with poor sales results in recent years, regulatory requirements have also become considerably stricter. As a result, many competitors have now exhausted their financial resources and the pressure to consolidate has intensified – a process from which large market players, including JDC Group companies, stand to benefit. Jung, DMS & Cie., for example, has already acquired several major customers with seven-digit commission sales in each case. Given regulatory trends and market developments, these companies have discontinued their own business handling activities and outsourced these to JDC.

The Management Board believes that all these factors will lead to positive developments at JDC Group AG shareholdings and thus also at JDC Group AG itself once again in the 2015 financial year.

OUTLOOK

Macroeconomic outlook

To date, the prospects for a slight acceleration in global growth in 2015 were still assessed favorably. At present, however, it is becoming apparent that the Chinese economy is weakening. This is significantly influencing developments on the capital market. In Germany, strong exports mean that the economy continues to grow. Private consumer spending remains high, while unemployment is low.

Market and sector outlook

In January 2015, the ECB approved the introduction of an extensive acquisition program for bonds in the central governments of EU member states, issuers with public subsidy mandates, and European institutions. This program is furnished with a monthly volume of 60 billion Euro. In view of this, we do not expect to see any further significant changes in monetary policy in the remainder of the year. The ECB is expected to implement the acquisition program as announced. Base rates are expected to remain at the level now reached for the entire year. By contrast, the US Fed is expected to further scale back the expansiveness of its monetary policy. In view of faltering economic developments, the first base rate increase in China is not expected in the near future. Given the ECB's even more expansive monetary policy, market interest rates in the euro area are expected to remain very low, although various factors indicate a rise in returns as the year progresses. These factors also include a slight improvement in the euro area economy. The oil price is also not expected to decline any further, a factor that should help stabilize inflation expectations.

For the JDC Group, the key focus in 2015 involves significantly and sustainably enhancing the company's operating business. Given the persistently difficult framework and its implications for the company's income, further cost optimizations are also on the agenda in 2015.

OUTLOOK FOR THE JDC GROUP CONSOLIDATED GROUP

Expected business performance

The following assessment of the expected business performance of the JDC Group consolidated group for 2015 is based on the macroeconomic assumptions presented in the group management report. Any further weakening in global macroeconomic developments accompanied by turbulence on the financial markets may significantly affect the financial, net asset, and earnings position of the JDC Group consolidated group.

Overall summary

Jung, DMS & Cie. AG remains one of the leading broker pools, with commission income of around Euro 60 million, while the FiNUM. group is the advisory unit focusing on sophisticated customers and in turn generates commission income of around Euro 20 million. The cost-cutting programs needed to adjust overheads to the company's smaller size have been completed and are showing the intended effect.

Currently, the shareholdings of the JDC Group can report performances that are mostly positive and in no case less than robust.

For 2015, the Management Board expects the overall Group to post a positive business performance.

Wiesbaden, September 17, 2015

Dr. Sebastian Grabmaier Ralph Konrad

Consolidated income statement

	Notes	**01/01–30/06/2015 kEUR**	01/01–30/06/2014 kEUR
1. Commission income	[1]	36,949	38,446
2. Capitalised services	[2]	336	212
3. Other operating income	[3]	2,115	1,412
4. Commission expenses	[4]	–27,590	–29,662
5. Personnel expenses	[5]	–5,977	–6,543
6. Depreciation and amortisation of tangible and intangible assets		–760	–851
7. Other operating expenses	[6]	–4,811	–4,294
8. Result from the valuation of companies at equity		0	0
9. Income from closed-end fund investments		0	0
10. Other interest and similar income		23	53
11. Depreciation of financial assets		0	0
12. Interest and similar expenses		–263	–332
13. Operating profit/loss		**22**	–1,559
14. Income tax expenses		–369	–212
15. Other tax expenses		–4	–4
16. Earnings from continuing operations after taxes		**–351**	–1,775
17. Earnings from discontinued operations after taxes		**0**	–2,674
18. Minority interests		0	–47
19. Net profit		**–351**	–4,496
20. Earnings per share		**–0.03**	–0.41
from continuing operations		–0.03	–0.17
from continuing and discontinued operations		–0.03	–0.41

Consolidated statement of comprehensive income

	01/01/–30/06/2015 kEUR	01/01/–30/06/2014 kEUR
Profit or loss for the period	**–351**	–4,496
Other income		
Net gain from hedging of net investments	0	0
Income tax effect	0	0
	0	0
Currency translation of foreign operations	0	0
Net gain/loss from hedging of cash flows	0	0
Income tax effect	0	0
	0	0
Net gain/loss from availble-for-sale financial assets	0	–35
Income tax effect	0	–11
	0	–46
Reclassified income after taxes	**0**	–46
Total income after taxes	**–351**	–4,542
Attributable to:		
– Parent company's shareholders	**–351**	–3,448
– Shares without controlling interests	**0**	–1,094

Segment reporting

	Broker Pools		Financial Consulting	
	1. Half of 2015 kEUR	1. Half of 2014 kEUR	**1. Half of 2015 kEUR**	1. Half of 2014 kEUR
Segment income				
Commission income	29,391	26,687	10,670	12,927
of which with other segments	3,194	0	0	458
Total segment income	**29,391**	26,687	**10,670**	12,927
Capitalised services	198	81	0	0
Other income	980	1,192	1,280	592
Segment expenses				
Commissions	–23,054	–21,341	–7,673	–9,370
Personnel expenses	–3,838	–3,912	–1,257	–1,832
Depreciation and amortisation	–284	–385	–218	–239
Other	–2,660	–2,424	–2,458	–2,075
Total segment expenses	**–29,836**	–28,062	**–11,606**	–13,516
EBIT	**733**	–102	**344**	3
EBITDA	**1,017**	283	**562**	242
Income from investments	0	0	0	0
Other interest and similar income	290	648	103	224
Yield on other securities	0	0	0	0
Depreciation of financial assets	0	0	0	0
Other interest and similar expenses	–116	–388	–550	–666
Financial result	**174**	260	**–447**	–442
Segment earnings before tax (EBT)	**907**	158	**–103**	–439
Tax expenses	–291	–18	–82	–199
Segment net profit from continuing operations	**616**	140	**–185**	–638
Segment net profit from discontinued operations	0	0	0	0
Minorities	0	0	0	–47
Segment net profit after minority interests	616	140	–185	–685

	Holding		**Total reportable segments**		**Transfer**		**Total**	
	1. Half of 2015 kEUR	1. Half of 2014 kEUR	**1. Half of 2015 kEUR**	1. Half of 2014 kEUR	**1. Half of 2015 kEUR**	1. Half of 2014 kEUR	**1. Half of 2015 kEUR**	1. Half of 2014 kEUR
	173	310	40,234	39,924	–3,284	–1,478	36,949	38,446
	80	89	3,274	547	–3,274	–547	0	0
	173	310	**40,234**	39,924	**–3,284**	–1,478	**36,949**	38,446
	137	131	335	212	0	0	335	212
	1,540	1,151	3,801	2,935	–1,686	–1,523	2,115	1,412
	0	–220	–30,727	–30,931	3,133	1,269	–27,594	–29,662
	–882	–799	–5,977	–6,543	0	0	–5,977	–6,543
	–258	–227	–760	–851	0	0	–760	–851
	–1,525	–1,527	–6,643	–6,026	1,837	1,732	–4,806	–4,294
	–2,665	–2,773	**–44,107**	–44,351	**4,970**	3,001	**–39,137**	–41,350
	–815	–1,181	**262**	–1,280	**0**	0	**262**	–1,280
	–557	–954	**1,022**	–429	**0**	0	**1,022**	–429
	0	0	0	0	0	0	0	0
	546	576	939	1,448	–916	–1,395	23	53
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	–513	–673	–1,179	–1,727	916	1,395	–263	–332
	33	–97	**–240**	–279	**0**	0	**–240**	–279
	–782	–1,278	**22**	–1,559	**0**	0	**22**	–1,559
	0	0	–373	–217	0	0	–373	–217
	–782	–1,278	**–351**	–1,775	**0**	0	**–351**	–1,775
	0	–2,674	0	–2,674	0	0	0	–2,674
	0	0	0	–47	0	0	0	–47
	–782	–3,952	–351	–4,496	0	0	–351	–4,496

Consolidated Balance Sheet

Assets

	Notes	30/06/2015 kEUR	31/12/2014 kEUR
Non-current assets			
Intangible assets	[7]	31,323	31,661
Fixed assets		413	455
Financial assets	[8]	1,926	45
		33,662	32,161
Deferred taxes	[9]	4,739	4,863
Long-term non-current assets			
Accounts receivable	[10]	777	742
Total non-current assets		**39,178**	37,766
Current assets			
Accounts receivable	[11]	8,762	11,901
Other assets	[11]	3,643	6,090
Other securities	[11]	0	0
Cash and cash equivalents	[11]	12,885	4,176
Deferred charges	[11]	634	403
Total current assets		**25,924**	22,570
Total assets		**65,102**	60,336

Liabilities

	Notes	30/06/2015 kEUR	31/12/2014 kEUR
Equity			
Subscribed capital		10,850	10,850
Capital reserves		40,686	40,686
Other retained earnings		266	283
Other equity components		-25,747	–25,413
Non-controlling interests		0	0
Total equity		**26,055**	26,406
Non-current liabilities	[12]		
Deferred taxes	[9]	1,587	1,454
Bond	[12]	14,576	0
Liabilities due to banks	[12]	0	7
Accounts payable	[12]	7,130	7,078
Other liabilities	[12]	1,657	3,054
Accruals	[13]	2,379	1,476
Total non-current liabilities		**27,329**	13,069
Current liabilities	[14]		
Accrued taxes		318	618
Liabilities due to banks		1	227
Accounts payable		6,346	11,291
Other liabilites		4,811	8,706
Deferred income		242	19
Total current liabilities		**11,718**	20,861
Total equity and liabilities		**65,102**	60,336

Consolidated cash flow statement

		01/01/– 30/06/2015 kEUR	01/01/– 30/06/2014 kEUR	Changes to previous year in kEUR
1.	Result for the period	–351	–4,496	4,145
2.	+ Depreciation and amortisation of fixed assets	760	851	–91
3.	–/+ Other non-cash itemised income/expenses			0
4.	–/+ Profit/loss from disposals of fixed assets	0		0
5.	–/+ Increase/decrease of inventories, accounts receivable as well as other assets	5,444	7,003	–1,559
6.	– /+ Decrease/increase of accounts payable as well as other liabilities	–6,233	–10,411	4,178
7.	**= Cash flow from operating activities**	**–380**	–7,052	6,672
	of which from discontinued operations		–279	279
8.	+ Cash receipts from disposals of intangible assets	0	383	–383
9.	– C ash payments for investments in intangible assets	–327	–271	–56
10.	+ Cash receipts from disposals of fixed assets	6	23	–17
11.	– Cash payments for investments in intangible assets	–60	–70	10
12.	+ Cash receipts from disposals of financial assets		0	0
13.	– Cash payments for investments in financial assets	–1,879	–61	–1,818
14.	+ Cash receipts from the disposal of consolidated companies	0	5,347	–5,347
15.	– Cash payments from the disposal of consolidated companies	0	0	0
16.	– Cash receipts from the acquisition of consolidated companies	0	0	0
17.	– Cash payments from the acquisition of consolidated companies	0	0	0
18.	**= Cash flow from investment activities**	**–2,260**	5,351	–7,611
	of which from discontinued operations	0	0	0
19.	+/- Cash receipts/-payments from capital increase	0	–765	765
20.	+/- Cash receipts/-payments from minority shareholders		–1,094	1,094
21.	+ Cash receipts from banks	14,576	0	14,576
22.	– Cash payments from loan redemptions	–3,000	–113	–2,887
23.	**= Cash flow from financing activities**	**11,576**	–1,972	13,548
	of which from discontinued operations	0	0	0
24.	non-cash itemised changes in cash and cash equivalents (total of pos. 7, 18, 23)	8,936	–3,673	12,609
25.	+ Cash and cash equivalents at the beginning of the period	3,949	8,071	–4,122
26.	**= Cash and cash equivalents at the end of the period**	**12,885**	4,398	8,487

Breakdown of cash and cash equivalents

	30/06/2015 kEUR	30/06/2014 kEUR	Changes to previous kEUR
Cash and cash in banks	12,885	4,768	8,116
Current securities	0	0	0
Current liabilities due to banks	0	-371	371
	12,885	4,397	8,487

Consolidated statement of changes in equity

	Number of shares	Subscribed capital kEUR	Capital reserve kEUR	Other retained earnings kEUR	Cash Flow hedge marked to market kEUR	Securities marked to market kEUR	Other equity compo-nents kEUR	Shares without dominating influence	**Total equity kEUR**
As of 01/01/2014	10,849,974	10,850	40,686	283	0	25	–17,957	1,094	**34,981**
Result as of 30/06/2014							–4,449		–4,449
Changes in market valuation for investments						–25			–25
Changes in market valuation for cash flow hedge									0
Changes in deferred taxes									0
Other additions/disposals							–740		–740
Retained earnings									
– Allocation of earnings									0
Shares without dominating influence									0
– Additions									0
– Disposals								–1,141	–1,141
– Changes due to the results as of 30/06/2014							–47	47	0
As of 30/06/2014	10,849,974	10,850	40,686	283	0	0	–23,193	0	**28,626**
As of 01/01/2015	10,849,974	10,850	40,686	283	0	0	–25,413	0	**26,406**
Results as of 30/06/2015							–351		–351
Changes in market valuation for investments									0
Changes in market valuation for cash flow hedge									0
Changes in deferred taxes									0
Other additions/disposals									0
Retained earnings									
– Allocation of earnings									0
Shares without dominating influence									
– Additions									0
– Disposals									0
– Changes due to the results as of 30/06/2015									0
As of 30/06/2015	10,849,974	10,850	40,686	283	0	0	–25,764	0	**26,055**

Notes

1 General Information

The JDC Group AG (“JDC Group”) is a diversified financial services company with the operative segments Broker Pools and Financial Consulting. The company was registered on 6th October 2005 under the name Aragon Aktiengesellschaft in the commercial register of the Wiesbaden district court (HRB 22030). The firm’s name was changed from Aragon AG to JDC Group on 31th July 2015. The company‘s registered office is located in Wiesbaden. The address is:

Kormoranweg 1
65201 Wiesbaden
Federal Republic of Germany

JDC Group shares are admitted for the open market (Entry Standard). The interim financial statements for the reporting period from 1 January 2015 to 30 June 2015 relates to the parent company and its subsidiaries on a consolidated basis.

1.1 DECLARATION OF COMPLIANCE BY THE MANAGEMENT BOARD

JDC Group‘s interim financial statements for the first half year of 2015 and the corresponding previous year period from 1 January 2014 to 30 June 2014 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), which is applicable in the European Union (EU). The term IFRS also includes the International Accounting Standards (IAS) which are still in place. All interpretations binding for financial year 2015 by the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC), as applicable in the EU have likewise been applied. In the following the term IFRS has been used throughout.

The interim report has not been subject to an auditor’s review.

JDC Group AG is not a parent company within the meaning of Section 315a (1) and (2) of the German Commercial Code (HGB) that is required to prepare interim financial statements in accordance of IFRS. JDC Group AG voluntarily prepares its interim financial statements under IFRS.

1.2 ACCOUNTING PRINCIPLES AND VALUATION METHODS APPLIED

The consolidated financial statements consists of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the consolidated financial statements.

The separate financial statements of JDC Group AG and its subsidiaries have been included in the interim financial statements in observance of the recognition and valuation policies applicable throughout the Group.

The interim financial statements have been prepared in euros (EUR), which is the functional currency of the Group. Except as otherwise indicated, all figures have been rounded to the nearest thousand euros (kEUR). The interim consolidated income statement has been prepared in accordance with the total cost accounting method. The consolidated financial statements have been uniformly prepared for the periods presented here in accordance with the following principles of consolidation, accounting and valuation.

The interim financial statement, including figures from the comparison period in the previous year, was basically compiled according to the consolidation, accounting and valuation principles applied to the annual report 2014. A detailed description of these principles is published in the notes of the annual report 2014. The annual report 2014 is available on the company's website: www.jdcgroup.de.

1.3 BASIS OF CONSOLIDATION

In addition to JDC Group AG the interim consolidated financial statements generally include all subsidiaries under IAS 27, in which JDC Group AG holds a majority of voting rights or which it can control by other means. Control within the meaning of IAS 27 is present if there is the possibility of determining the financial and business policy of a company, in order to draw benefit from its activities.

With the exception of Jung, DMS & Cie. GmbH, Vienna/Austria, Jung, DMS und Cie. Maklerservice GmbH, Vienna/Austria, FiNUM. Private Finance AG, Vienna/Austria, and FiNUM. Private Holding GmbH, Vienna/Austria, all of the subsidiaries are registered in Germany. In addition to the parent company, the interim consolidated financial statements also include the direct subsidiaries and sub-groups Jung, DMS & Cie. Aktiengesellschaft, FiNUM. Private Finance Holding, C.E.H Verwaltungs GmbH, FiNUM.Finanzhaus AG, Wiesbaden, and FiNUM. Private Finance Holding GmbH, Vienna/Austria. The JDC Group daughter Jung, DMS & Cie. acquired 25.1 percent of the asset manager BB Wertpapier-Verwaltungs-Gesellschaft mbH on 24 February 2015, which is not part of basis of consolidation due to inessentiality.

2 Notes to the interim consolidated financial statements

2.1 NOTES TO THE CONSOLIDATED INCOME STATEMENT

Income by segment is shown in the segment report.

2.1.1 Commission Income [1]

Income relates essentially to initial and follow-up commission from brokerage services in the three segments of insurance products, investment funds and investments/closed-end funds as well as other services and breaks down as follows:

	01/01/–30/06/2015 kEUR	01/01/–30/06/2014 kEUR
Initial commission		
Insurance products	16,081	17,056
Investment funds	7,742	8,543
Shares/Closed-end funds	1,307	708
Follow-up commission	8,328	7,868
Overrides	771	582
Other income	2,720	3,689
Total	**36,949**	38,446

As of 30 June 2014 3.974 kEUR belonged to compexx Finanz AG, the company was deconsolidated by 31 May 2015. Adjusted by this amount the commission income increased by 7.2 percent compared to the first half year 2014.

The follow-up commissions raises up to 8,328 kEUR stable level of assets under administration.

2.1.2 Other capitalised services [2]

Capitalised services amounted to 336 kEUR (30 June 2014: 212 kEUR) and were primarily achieved by developing in-house software solutions (Compass, World of Finance, ATWOF, ATWOF, iCRM) (cf. ref. 2.2.1.1 Software and licences).

2.1.3 Other operating income [3]

The other operating income of 2,115 kEUR (30 June 2014: 1,412 kEUR) primarily relates from the debtor warrant due to the sale compexx Finanz AG 230 kEUR, 66 kEUR of accruals release, 894 kEUR income from assumptions of risk, 77 kEUR from benefits in kind and 360 kEUR from other income.

2.1.4 Commission expenses [4]

The item contains mainly the commissions for independent brokers. The expenses, which rise in relation to the increase in commission income, increased by 992 kEUR to 27,590 kEUR versus the previous year (30 June 2014 adjusted by compexx Finanz AG: 26,598 kEUR).

2.1.5 Personnel expenses [5]

	01/01/–30/06/2015 kEUR	01/01/–30/06/2014 kEUR
Wages and salaries	5,085	5,605
Social security	892	938
Total	**5,977**	6,543

Personnel expenses essentially comprise wages and salaries, remuneration and other payments to the Management Board and employees of the JDC Group.

Social security includes the employer's statutory contributions (social security contributions).

2.1.6 Operating expenses [6]

	01/01/–30/06/2015 kEUR	01/01/–30/06/2014 kEUR
Marketing costs	424	557
External services	124	126
IT costs	776	852
Occupancy costs	643	761
Vehicle costs	172	203
Fees, insurance premiums	351	448
Postage, telephone	81	115
Other	2,240	1,232
Total	**4,811**	4,294

The other costs mainly include legal and consulting costs of 1,351 kEUR (30 June 2014: 701 kEUR).

2.2 NOTES TO THE CONSOLIDATED BALANCE SHEET

2.2.1 Intangible assets [7]

2.2.1.1 CONCESSIONS AND LICENCES

The item “Concessions and licences” essentially comprises software licences for standard commercial software and customer base with a carrying amount of 6,766 kEUR (31 December 2014: 7,104 kEUR). This software is amortised on a straight-line basis over a period of three to six years.

In the financial period internally generated software tools totalling 336 kEUR (30 June 2014: 212 kEUR) were capitalised. These are essentially company-specific software applications (Compass, World of Finance, AT WOF, iCRM) to support sales of financial products.

2.2.1.2 GOODWILL

Goodwill results from the first-time consolidation at the time of the relevant business combination.

	30/06/2015 kEUR	31/12/2014 kEUR
Broker Pools	19,095	19,095
Financial Consulting	5,460	5,460
Holding	2	2
	24,557	24,557

2.2.2 Impairment expenses

Goodwill was subjected to an impairment test as of 31 December 2014. The calculation was based on estimated cash flows before income taxes. The cash flows were calculated on the basis of detailed budgeting for the Group companies for the financial years 2015 to 2017 (phase I). For subsequent periods, the cash flow was forecast as a perpetual annuity (phase II). The discount rate of 2.9 % (previous year: 4.9 %) was calculated using a risk-free base interest rate of 0.65 % derived from the yield-curve (previous year: 2.37 %), a market risk premium of 2.23 % (previous year: 2.56 %) and using a beta factor for comparable investments of 0.7 (previous year: 1.1). The discount rate used to determine the present value of the initial cash flows of the perpetual annuity included a growth discount of 1.0 % (previous year: 1.0 %).

The assumptions made with regard to the sales growth in the operating units are an additional factor influencing free cash flow.

2.2.3 Financial assets and other non-current assets [8]

The breakdown of book values is as follows:

	30/06/2015 kEUR	31/12/2014 kEUR
Available-for-sale		
Shares in affiliated companies	25	25
Investments	111	20
Securities	1,790	0
Total	**1,926**	45

2.2.4 Deferred tax assets and liabilities [9]

	30/06/2015 kEUR	31/12/2014 kEUR
Deferred tax assets		
Tax reimbursements		
from losses carried forward	4,739	4,863
	4,739	4,863
Deferred tax liabilities	–766	–766
Intangible assets (software)	–821	–688
From other valuation differences	**–1,587**	–1,454

For the German companies, deferred taxes were calculated on the basis of a corporation tax rate of 15.0 % plus solidarity surcharge of 5.5 % and the local trade tax rate of the city of Wiesbaden of 440.0 % (combined income tax rate: 31.23 %).

For the Austrian companies, the corporation tax rate of 25.0 % has been applied, which has been in force since 2005.

2.2.5 Non-current assets [10]

	30/06/2015 kEUR	31/12/2014 kEUR
Accounts receivable	777	742
Total	777	742

The accounts receivable relate essentially to commission receivable from the cancellation reserves.

2.2.6 Current assets [11]

	30/06/2015 kEUR	31/12/2014 kEUR
Accounts receivable	8,762	11,901
Other assets		
Commission advances	1,526	1,787
Deferred charges	634	403
Other	2,117	4,303
Total	**13,039**	18,394

Accounts receivable essentially relate to commission receivable from partner companies and broker pool partners from brokerage services and the cancellation reserve. The remaining other assets essentially relate to rent deposits, tax refund claims and short-term loans. Prepaid expenses relate to payments on account for advertising events in the subsequent year, insurance, contributions and motor vehicle tax.

2.2.7 Equity

Movements in the Group equity of JDC Group AG are shown in the statement of changes in equity (cf. also ref. 4).

2.2.8 Non-current liabilities [12]

	30/06/2015 kEUR	31/12/2014 kEUR
Bond	14,576	0
Liabilities to banks	0	7
Accounts payable	7,130	7,078
Other liabilities		
Other	1,657	3,054
Total	**23,363**	10,139

The increase of non-current liabilities is due to the issuing of the bond of 14,576 kEUR (nominal 15,000 kEUR). The other liabilities reduced around 1,397 kEUR to 1,657 kEUR due to the repayment of loans.

2.2.9 Provisions [13]

	30/06/2015 kEUR	31/12/2014 kEUR
Provisions for asset damage prevention	1,448	1,252
Provisions for legal costs	931	224
Total	**2,379**	1,476

Deductions from commissions that are intended to hedge against potential defaults at brokers have been presented as financial loss provisions. Furthermore, a provision for potential litigation risks has also been presented here, as has other income of 894 kEUR resulting from the assumption of a risk (c.f. Section 2.1.3).

2.2.10 Current liabilities [14]

	30/06/2015 kEUR	31/12/2014 kEUR
Provisions for taxes	318	618
Liabilities to banks	1	227
Accounts payable	6,346	11,291
Other current liabilities		
Puchase price liabilities	0	2,086
Loan obligation	0	1,678
Other	4,811	4,942
Deferred income	242	19
Total	**11,718**	20,861

The reduction in current liabilities is primarily due to payments of purchase prices and the reduction in accounts payable.

2.3 RELATED PARTIES

Transactions with members of the Management Board and Supervisory Board:

	30/06/2015 kEUR	30/06/2014 kEUR
Supervisory Board		
Remuneration	22	115
Management Board		
Total remuneration[1]	368	368

*The total remuneration of the Boards of JDC Group AG is disclosed, even when the costs have been borne by subsidiaries.

3 Significant events after the reporting date

No significant events occurred after the reporting date.

4 Statement of changes in equity

The development in Group equity as of the reporting date is shown in the statement of changes in equity, which forms part of the interim consolidated financial statements.

The 351 kEUR decrease in Group equity during the financial year essentially results from the half-year earnings.

5 Cash flow statement

The Group's financial position is reflected in the cash flow statement, which forms part of the interim consolidated financial statements in accordance with IFRS. The cash flow from operating activities was negative with –380 kEUR.

In the cash flow statement, the changes in cash and cash equivalents in the JDC Group during the financial year under review is reflected by the payment inflows and outflows from operating activities, investment activities and financing activities. Non-cash operations are summarized in one amount and are shown in the cash flow from running operating activities.

Cash and cash equivalents
Cash and cash equivalents are broken down in the consolidated cash flow statement. Cash and cash equivalents with a residual term of a maximum of three months are pooled in this item. Cash equivalents are current investments that can be converted into cash at any time and which are only subject to minor fluctuations in value.

6 Segment Reporting

JDC Group AG reports on three operating segments which are managed independently by committees responsible for the segment in accordance with the type of products and services offered. The designation of company segments as business segments is based in particular on the existence of segment managers responsible for the results who report directly to the chief operating decision maker of the JDC Group Group.

The JDC Group Group is divided into the following segments:
• Broker Pools
• Financial Consulting
• Holding

Broker Pools
In the Broker Pools segment, the Group pools its activities involving independent financial advisers. The offering encompasses all asset classes (investment funds, closed-end funds, insurance products and certificates) provided by different product companies and including order processing and commission settlement as well as various other services relating to investment advice for retail customers.

Financial Consulting
The Group's activities that focus on advisory and sales services for retail customers are bundled in the Financial Consulting segment. As an independent financial and investment adviser, we offer our customers holistic consultancy services for insurance, investmentfunds and financing products that are tailored to the customer's particular situation.

Holding
In the segment Holding includes our interest in Fine IT Solutions GmbH and JDC Group AG.

The measurement principles for JDC Group's segment reporting are based on the IFRS standards used in the consolidated financial statements. JDC Group evaluates the performance of the segments using, among other things, the operating results (EBIT). The revenues and preliminary services between the segments are allocated on the basis of market prices.

GEOGRAPHICAL SEGMENT INFORMATION

JDC Group Group is mainly acting in Germany and Austria, therefore the customer Group forms a single geographic segment (German-speaking region of the European Union).

7 Additional information

7.1 DESCRIPTION OF THE BUSINESS DEVELOPMENT

Despite a continued difficult market environment JDC Group AG significantly improved its earnings compared to the previous year and therefore it achieved a good basis for the future.

The first half-year revenue increased by 2.5 million Euro or 7.2 percent to 37.0 million Euro (1st half-year 2014 adjusted by compexx Finanz AG: 34,5 million Euro). The earnings before interests, taxes and depreciation (EBITDA) from continuing operations amounts for the first half-year to 1,022 kEUR (1st half-year 2014: –429 kEUR). The earnings before interests and taxes (EBIT) from continuing operations significantly improved to 262 kEUR (1st half-year 2014: –1,280 kEUR).

The second half-year is generally better in terms of revenues and earnings comparing to the first half-year.

7.2 ADDITIONAL INFORMATION

In the annual average the Group companies employed 187 staff (31 December 2014: 182), excluding Management Board members.

EXECUTIVE BODIES OF JDC GROUP AG

Management Board

DR. SEBASTIAN GRABMAIER
Grünwald
Attorney
CEO

RALPH KONRAD
Mainz
Businessman (Dipl.-Kfm.)
CFO

Supervisory Board

JENS HARIG
Cologne
Independent entrepreneur
Chairman

STEFAN SCHÜTZE
Frankfurt am Main
Member of Management Board of FinLab AG
and Attorney

EMMERICH KRETZENBACHER
Hamburg
Certified Public Auditor

The remuneration of the Management Board and Supervisory Board is disclosed under ref. 2.3. There is no obligation to disclose the remuneration of individual members of the Management Board in accordance with Section 314 (1) No. 6a Clause 5 ff. of the German Commercial Code (HGB), as JDC Group AG is not a listed joint stock company within the meaning of Section 3 (2) of the German Stock Corporation Act (AktG).

Kontakt

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The Interim Report of JDC Group AG is available in German and English. The German version is legally binding. The reports can be downloaded from the company's website: www.jdcgroup.de

We will provide you with additional information about JDC Group AG and its subsidiaries upon request.